

## Message Text

LIMITED OFFICIAL USE

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ACTION STR-07

INFO OCT-01 STRE-00 ISO-00 IO-13 JUSE-00 CTME-00  
AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00 EB-08  
FRB-03 H-01 INR-10 INT-05 L-03 LAB-04 NSAE-00  
NSC-05 PA-01 AID-05 SS-15 ITC-01 TRSE-00 ICA-11  
SP-02 SOE-02 OMB-01 DOE-15 AF-10 ARA-10 EA-10  
EUR-12 NEA-11 OIC-02 /169 W  
-----041208 191417Z /43

P 191311Z MAY 78  
FM USMISSION GENEVA  
TO SECSTATE WASHDC PRIORITY 9864  
INFO AMEMBASSY BRUSSELS

LIMITED OFFICIAL USE SECTION 01 OF 03 GENEVA 07727

USMTN

USEEC

PASS STR ELECTRONICALLY FOR AMBASSADORS STRAUSS AND WOLFF

E.O. 11652: N/A  
TAGS: ETRD, MTN, EC  
SUBJECT: US/EC OUTSTANDING ISSUES

REF.: A. STATE 116352; B. GENEVA 7376 (NOTAL)

1. BELOW IS A TENTATIVE LIST OF US/EC OUTSTANDING ISSUES  
THAT NEED TO BE CLARIFIED OR RESOLVED BEFORE JULY 15. AS  
A CONTROL DEVICE TO MAKE SURE WE ARE BOTH FOCUSING OUR  
EFFORTS TO ELIMINATE REMAINING ISSUES AS PROMPTLY AS POS-  
SIBLE, MCDONALD AND DENMAN AGREED TO EXCHANGE ISSUE LISTS  
THIS WEEK TO DEVELOP A COMMON VIEW FOR ASSIGNING WORK  
PRIORITIES. ALL OF THE ITEMS EXCEPT THE LAST ONE (SUP-  
PLEMENTARY MTN-RELATED ISSUES) HAVE BEEN DISCUSSED WITH  
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THEIR GENEVA DELEGATION AND REPRESENT A FIRST ATTEMPT AT  
A COMMON LIST. MTN DEL WOULD APPRECIATE A REVIEW BY  
WASHINGTON OF THESE ITEMS AND ADVICE AND REACTIONS ON  
THESE OR OTHER ISSUES THAT SHOULD BE INCLUDED.

2. IN VIEW OF THE SHORT TIME REMAINING BEFORE JULY 15,  
MTN DEL WOULD NOW IDEALLY HAVE NEGOTIATING INSTRUCTIONS

INDICATING ACCEPTABLE U.S. LATITUDES FOR FINALLY RESOLVING THESE ISSUES. SINCE THAT IS NOT ALWAYS THE CASE, WE ARE PROCEEDING WITH ACTIVE NEGOTIATIONS BASED ON EXISTING INSTRUCTIONS WHILE ACTIVELY SEARCHING OUT NEGOTIABLE PARAMETERS OF A FEASIBLE FINAL DEAL. AS THESE ARE DEVELOPED, THEY WILL BE COMMUNICATED TO WASHINGTON AS PROPOSALS FOR POLICY REVIEW. AS DISCUSSED DURING MY LAST VISIT, WE ARE NOW WELL BEYOND THE POINT OF POSTURING WITH UNREALISTIC POSITIONS AS A NEGOTIATING TACTIC. WE ARE CURRENTLY SEARCHING FOR A FINAL DEAL AND NEED TO CONCENTRATE ALL OF OUR ACTIVITIES ON OBTAINING OUR PREFERRED SOLUTIONS.

3. MANY OF THE ISSUES BELOW WILL ALSO BE COMMON ONES WITH OTHER NEGOTIATING PARTNERS. SIMILAR LISTS ARE ALSO BEING PREPARED FOR OTHER MAJOR NP'S INDICATING PARTICULAR PROBLEMS AS WELL AS COMMON ISSUES STILL REMAINING.

4. THE TENTATIVE LIST OF US/EC OUTSTANDING ISSUES TO BE CLARIFIED OR RESOLVED BEFORE JULY 15 IS AS FOLLOWS:

A. CODES

(1) CUSTOMS VALUATION

(A) APPLICATION OF DEDUCTIVE METHOD  
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(B) APPLICATION OF COMPUTED VALUE

(C) FINAL VALUATION STANDARD

(D) METHODS TO TEST ACCEPTABILITY OF INVOICE  
PRICE

(E) (P.M. NEED COMMON TEXT IN EARLY JUNE TO  
ALLOW MULTILATERAL NEGOTIATIONS.)

(2) GOVERNMENT PROCUREMENT

(A) EX-POST TRANSPARENCY

(B) CONDITIONS ON SINGLE TENDERING

(C) OFFSETS

(D) COVERAGE

(3) LICENSING

(A) MODE FOR NEGOTIATIONS

(B) PRINCIPAL FOCUS OF TEXT (LDC OR EASTERN  
EUROPEAN PROCEDURES)

(C) DEFINITION OF AUTOMATIC IMPORT LICENSING

(4) STANDARDS

- (A) LEVELS OF OBLIGATIONS
- (B) ACCESS TO NATIONAL AND REGIONAL CERTIFICATION  
SYSTEMS
- (C) DISPUTE SETTLEMENT PROVISIONS
- (D) APPLICABILITY TO AGRICULTURE
- (5) SUBSIDIES/COUNTERVAIL

- (A) GUIDELINES FOR DOMESTIC SUBSIDIES
  - (B) DEFINITION OF EXPORT SUBSIDY
  - (C) ILLUSTRATIVE LISTS OF EXPORT AND DOMESTIC  
SUBSIDIES
  - (D) DUAL PRICING CRITERION
  - (E) AGRICULTURAL SUBSIDIES
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ACTION STR-07

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FM USMISSION GENEVA  
TO SECSTATE WASHDC PRIORITY 9865  
INFO AMEMBASSY BRUSSELS

LIMITED OFFICIAL USE SECTION 02 OF 03 GENEVA 07727

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PASS STR ELECTRONICALLY FOR AMBS STRAUSS AND WOLFF

- (F) INJURY CRITERIA
- (G) DISPUTE SETTLEMENT PROVISIONS
- (H) (P.M. NEED COMMON TEXT IN EARLY JUNE TO  
ALLOW MULTILATERAL NEGOTIATIONS.)

(6) S&D PROVISIONS

B. AGRICULTURE

(1) GRAINS

- (A) LEVEL AND USE OF NOTIONAL PRICES
- (B) SIZE OF STOCKING (WHEAT)
- (C) ACCESS PROVISIONS

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- (D) HANDLING OF REQUESTS/OFFERS
- (E) RESTRAINTS ON RESTITUTION PAYMENTS
- (F) INCORPORATION IN MTN

(2) DAIRY

- (A) CLARIFICATION OF CONCERTED DISCIPLINES
- (B) U.S. PARTICIPATION IN MINIMUM PRICE  
ARRANGEMENTS
- (C) U.S. CVD ON CHEESE/EC PROPOSAL
- (D) LEGAL IMPLICATIONS RE GATT

(3) MEAT

- (A) CLARIFICATION OF CONCERTED DISCIPLINES
- (B) BILATERAL REQUESTS/OFFERS
- (C) LEGAL IMPLICATIONS RE GATT

(4) OTHER PRODUCTS

- (A) BILATERAL REQUESTS/OFFERS
- (5) CODES - APPLICABILITY AND/OR MODIFICATION NEEDED

- (A) SUBSIDY-COUNTERVAIL
- (B) STANDARDS
- (C) SAFEGUARDS

C. TARIFFS

- (1) FINAL CUT OBJECTIVE
- (2) POSSIBILITIES FOR ADJUSTMENTS IN OFFERS

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- (A) TIMING OF IMPROVEMENTS OR WITHDRAWALS
- (B) TIMETABLE FOR SPECIFYING ELEMENTS NEEDED FOR  
FINAL BARGAINING
- (C) RELATIONSHIP TO CANADA AND JAPAN
- (D) FINAL BARGAINING ON PRODUCTS OF PARTICULAR  
INTEREST

(3) STAGING/CONDITIONALITY

(4) "FREE RIDE" PROBLEM

D. THE TRADING SYSTEM

(1) SAFEGUARDS

- (A) PROCEDURES FOR/DISCIPLINE ON SELECTIVE  
APPLICATION
- (B) ROLE OF SIGNATORY COMMITTEE RE ACTION IN  
GENERAL AND SELECTIVE APPLICATION
- (C) DOMESTIC PROCEDURES
- (D) TRANSPARENCY IN GOVERNMENT/PRIVATE RESTRAINT  
ARRANGEMENTS
- (E) PHASEOUT OF EXISTING SAFEGUARD MEASURES
- (F) (P.M. NEED COMMON TEXT IN EARLY JUNE TO  
ALLOW MULTILATERAL NEGOTIATIONS.)

(2) FRAMEWORK

- (A) ENABLING CLAUSE
- (B) BALANCE OF PAYMENTS RESTRAINT
- (C) GRADUATION
- (D) EXPORT CONTROLS

(3) DISPUTE MANAGEMENT PROCEDURES

E. OTHER

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(1) EASTERN EUROPE

- (A) PROSPECTS FOR MTN RECIPROCITY
- (B) SECTORAL IMPORT COMMITMENTS

F. SUPPLEMENTARY MTN-RELATED ISSUES

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LIMITED OFFICIAL USE SECTION 03 OF 03 GENEVA 07727

USMTN

USEEC  
PASS STR ELECTRONICALLY FOR AMBS STRAUSS AND WOLFF

(1) IMPLEMENTATION OF TOKYO ROUND RESULTS  
(ESPECIALLY CODES)

- (A) TIMING
- (B) INSTITUTIONAL REQUIREMENTS
- (C) ANY SPECIAL ASPECTS FOR THE "RUNNING IN"  
PERIOD?

(2) LDC ADHERENCE TO CODES/GATT ACCESSION

(3) INITIATION OF DIALOGUE ON POST-TOKYO ROUND ROLE  
OF GATT

(A) FOLLOW-UP ON NTM'S ("NEGOTIATIONS OF  
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OPPORTUNITY")

(B) SURVEILLANCE/TRADE POLICY COORDINATION

MCDONALD

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, RELATIONS WITH REGIONAL ORGS, BRIEFING MATERIALS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978GENEVA07727  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780211-0499  
**Format:** TEL  
**From:** GENEVA USMTN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780541/aaaabijb.tel  
**Line Count:** 337  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 4b4b8c9a-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION STR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 7  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 116352, 78 GENEVA 7376  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2641482  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** US/EC OUTSTANDING ISSUES  
**TAGS:** ETRD, US, MTN, EEC  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/4b4b8c9a-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014